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TO: Mayor John R. Dennis
FROM: West Lafayette Redevelopment Commission
SUBJECT: 2012 Year End Report
DATE: January 16, 2013

INTRODUCTION:

This year-end report is prepared in accordance with IC 36-7-14-13 by the West Lafayette Redevelopment Commission (Commission).

The Commission was established in 1989 by action of the West Lafayette Common Council (Council). Pursuant to statute, the Commission is comprised of five (5) voting members filled by Mayoral and Council appointments on an annual basis. In 2008, Indiana Law regarding Tax Incremental Financing and Redevelopment Commissions was changed, primarily by House Enrolled Act 1001. A provision of the law affected Commission membership and required the appointment by the Mayor of a non-voting member representing a School Corporation with boundaries overlapping the Commission's economic revitalization areas. Since the Commission's economic revitalization areas overlap both the West Lafayette Community School Corporation (WLCSC) and Tippecanoe School Corporation (TSC) boundaries, representatives from both School Corporations were appointed to the Commission.

The membership of the 2012 Commission was:

Lawrence T. Oates	President	Voting Member	Appointed by Council
Stephen B. Curtis	Vice-President	Voting Member	Appointed by Mayor
Linda M. Sorensen	Secretary	Voting Member	Appointed by Mayor
Peter Gray	Member	Voting Member	Appointed by Mayor
Joanna Grama	Member	Voting Member	Appointed by Council
Dottie L. Rausch	WLCSC	Non-voting Member	Appointed by Mayor
Janet Fox Elmore	TSC	Non-voting Member	Appointed by Mayor
Judith C. Rhodes	Treasurer	Non-voting Advisor	Appointed by Commission
Thomas L. Brooks, Jr.	Attorney	Non-voting Advisor	Appointed by Commission

There are no employees employed by or compensated by the Commission.

RESOLUTIONS:

The Commission approved 18 resolutions during 2012:

Resolution#	Synopsis	Amount	Fund
RC 2012-1	Authorizing Additional Appropriations–Establishing the 2012 Spending Plan	\$634,825 \$914,300 \$1,702,016	Sagamore Pkwy KCB Levee/Village
RC 2012-2	Approving an Amendment to the Declaratory Resolution and Economic Development Plan for the Levee/Village Economic Development Area (TIF Expansion)		Levee/Village
RC 2012-3	Declaring an Area in the City of West Lafayette as an Economic Development Area and Approving an Economic Development Plan for Said Area (Metro FiberNet Project)		Levee/Village Sagamore Pkwy KCB
RC 2012-4	Modifying and Confirming the Amendment of the Redevelopment Plan for the Levee/Village Redevelopment Area (TIF Expansion)		Levee/Village
RC 2012-5	Transfer of Funds from Contract Services to Other Equipment (Fire Department Extraction Tools)	\$100,000	Levee/Village
RC 2012-6	Authorizing the Disposition of Certain Real Property in KCB Development Area (ARPL Project)		KCB
RC 2012-7	Authorization Disposition of Real Property in Levee/Village Economic Development Area (Curtis Hotel Project)		Levee/Village
RC 2012-8	Approving Disposition of Real Property in the KCB Development Area (PRF/ARPL Project)		KCB
RC 2012-9	Transfer of Funds (ARPL Project)	\$350,000	KCB
RC 2012-10	Authorizing Additional Appropriations (ARPL Project)	\$525,000	KCB
RC 2012-11	Approving an Agreement for Disposition of Real Property in Levee/Village Development Area (Curtis Hotel)		Levee/Village
RDC 2012-12	Approving the Execution of an Amendment with West Lafayette Redevelopment Authority (2002 Bond Refunding)	\$2,400,000	KCB
RDC 2012-13	Authorizing Additional Appropriations (Streets, Curb, Happy Hollow Improvements)	\$215,000 \$95,000 \$250,000 \$190,000	Levee/Village
RDC 2012-14	Determination of TIF Revenues for 2013		Levee/Village KCB Sagamore Pkwy
RDC 2012-15	Transfer of Funds (Happy Hollow Improvements)	\$33,500	Levee/Village
RDC 2012-16	Approving Purchasing Policies		Levee/Village KCB Sagamore Pkwy

RDC 2012-17	Confirming Resolution Declaring an Area of West Lafayette an Economic Development Area (Metro FiberNet Project)		Levee/Village KCB Sagamore Pkwy
RDC 2012-18	Pledging Certain Tax Increment Revenues to the Payment of Economic Development Revenue Bonds (Metro FiberNet Project)	\$2,500,000	Levee/Village KCB Sagamore Pkwy

**REPORT OF 2012 CASH EXPENDITURES, 12-31-12 CASH BALANCES
AND 2012 FUNDING SOURCES**

Detailed reporting of fiscal year 2012 fund balances, revenues, and expenditures will be published in the City of West Lafayette Annual Financial Report on the GATEWAY portal as of February 28, 2013.

2012 CASH EXPENDITURES

District	Expenditure Purpose	Amount
Sagamore Parkway TIF	Yeager Rd. Phase 1 (US 52 to US 231) Reconstruction	\$681,519.45
	Sagamore Parkway Total	\$681,519.45
KCB TIF	Cumberland Ave. Phases 1 & 2 Reconstruction (US 231 to Salisbury St.)	\$3,206,681.27
KCB TIF	Land Acquisition for Purdue Research Park (PRP) Development ARIL Project	\$875,000.00
KCB TIF	Drainage and Water Quality Improvements (Northwestern Corridor Development thru Celery Bog)	\$30,554.50
KCB TIF	Yeager Rd. Phase 2 (Purdue Research Park Extension North from Kalberer Rd.) Reconstruction	\$21,295.08
KCB TIF	Fire Station No. 3 Construction Management	\$11,160.00
KCB TIF	Transportation Corridor Improvements: Mid-Block Crossing Salisbury	\$116.37
KCB TIF	Bond Debt Service and Trustee Fees – 2002 West Lafayette Redevelopment Authority Economic Development Lease Rental Bonds and Trustee Fees (PRP/Greenway Trails)	\$615,080.00
KCB TIF	Redemption of 2002 West Lafayette Redevelopment Authority Economic Development Lease Rental Bonds (PRP/Greenway Trails)	\$2,465,915.42
KCB TIF	Costs of Issuance – 2012 West Lafayette Redevelopment Authority Lease Revenue Refunding Bonds (PRP/Greenway Trails)	\$56,045.00
KCB TIF	Bond Debt Service and Trustee Fees – 2005 Redevelopment District Tax Increment Revenue Bonds (Ross Enterprise Center)	\$430,850.00
KCB TIF	Debt Service – 2011 West Lafayette Redevelopment District Certificates of Participation (Fire Station No. 3)	\$99,515.59
KCB TIF	Construction – 2011 West Lafayette Redevelopment District Certificates of Participation (Fire Station No. 3)	2,397,196.73
	KCB Total	\$10,209,409.96

Levee/Village	Capital Equipment for city service delivery to high density urban commercial and recreation developments	\$529,441.14
Levee/Village	Trail Extensions (Wabash Heritage Trail Ph 1 and Ph 2, and Wabash Heritage Trail Tapawingo Extension); Happy Hollow Park Improvements	\$489,816.20
Levee/Village	Street Resurfacing and Curb/Sidewalk Reconstruction	\$485,676.47
Levee/Village	Village Economic Incentives -- Chauncey Square pedestrian and roadway improvements	\$227,715.26
Levee/Village	Wabash Landing Garage Capital Improvements	129,304.00
Levee/Village	Transportation Corridor Improvements Engineering: Happy Hollow Rd. Reconstruction, Northwestern Corridor Phase 2, Perimeter Parkway Phase 1 Part 1, Mid-Block Crossing Tapawingo S.	73,236.68
Levee/Village	Village Commercial District Public Art Projects and Chauncey Village Walkway (Gumball Alley) Lighting	\$30,360.01
Levee/Village	Capital Improvements and Energy Efficiency -- Wiggings/Fowler Gateway and Morton Center	\$14,440.00
Levee/Village	Wabash Landing Economic Incentives -- Land Appraisal	\$10,500.00
Levee/Village	Levee/Village TIF Expansion Engineering Services	\$5,625.50
Levee/Village	Debt Service and Trustee Fees -- 2010 West Lafayette Redevelopment Authority Lease Rental Refunding Bonds	\$585,270.00
	Levee/Village Total	\$2,581,385.26
Metro FiberNet	Costs of Issuance -- 2012 West Lafayette Economic Development Revenue Bonds (Metro FiberNet Project)	\$81,723.00
Metro FiberNet	Project Costs - Metro FiberNet Project	\$2,416,027.00
	Metro FiberNet Total	\$2,497,750.00
OTHER		
WL Certified Technology Park	West Lafayette Certified Technology Park (Purdue Research Park Phase II)	\$0.00

12/31/2012 CASH BALANCES

FUNDS	12/31/2012 BALANCE
Sagamore Parkway TIF Fund	\$393,945.78
Total Sagamore Parkway	\$393,945.78
KCB TIF Fund	\$0.00
KCB Allocation (Surplus) Fund	\$2,639,255.60
2002 West Lafayette Redevelopment Authority Economic Development Lease Rental Bonds (PRP/Greenway Trails) Trust Accounts	\$22.58
2012 West Lafayette Redevelopment Authority Lease Revenue Refunding Bonds (PRP/Greenway Trails) Trust Accounts	\$225,079.69
2005 Redevelopment District Tax Increment Revenue Bonds (Ross Enterprise Center) Trust Accounts	\$0.00
2011 West Lafayette Redevelopment District Certificates of Participation (Fire Station No. 3) Trust Accounts	\$0.29
Total KCB	\$2,864,358.16

FUNDS	12/31/2012 BALANCE
Levee/Village TIF Fund	\$0.00
Levee/Village Allocation (Surplus) Fund	\$6,010,403.49
2010 West Lafayette Redevelopment Authority Lease Rental Refunding Bonds (Wabash Landing Parking Garage) Trust Accounts	\$590,090.03
Total Levee/Village	\$6,600,493.52
Metro FiberNet Allocation Fund	\$0.00
2012 West Lafayette Economic Development Revenue Bonds (Metro FiberNet Project) Trust Accounts	\$2,250.00
Total Metro FiberNet	\$2,250.00
West Lafayette Certified Technology Park (Purdue Research Park – Phase II) Fund	\$126,477.27
Total Certified Technology Park	\$126,477.27

2012 FUNDING SOURCES

District and Funding Source	Amount
<u>Sagamore Parkway TIF</u>	
TIF Increment (2011 Fall Settlement and 2012 Settlement)	\$490,346.76
Grants	\$85,643.82
Miscellaneous (Interest, Refunds)	\$21,449.94
1/1/2012 Cash on Hand	\$478,024.71
Total Sagamore Funding	\$1,075,465.23
<u>KCB TIF</u>	
TIF Increment (2011 Fall Settlement and 2012 Settlement)	\$3,817,884.74
Miscellaneous (Interest, Refunds) – Allocation (Surplus)	\$35,648.63
1/1/2012 Cash on Hand - Allocation (Surplus)	\$4,075,902.95
Miscellaneous (Interest) - Bond and Other Debt Trust Accounts	\$437.06
Financing Proceeds - Bond and Other Debt	\$2,102,931.00
1/1/2012 Cash on Hand - Bond and Other Debt Trust Accounts	\$3,040,963.74
Total KCB Funding	\$13,073,768.12
<u>Levee/Village</u>	
TIF Increment (2011 Fall Settlement and 2012 Settlement)	\$4,447,241.02
Miscellaneous (Interest, \$1 Rental) – Allocation (Surplus)	\$17,909.94
1/1/2012 Cash on Hand - Allocation (Surplus)	\$4,128,367.79
Miscellaneous (Interest) - Bond and Other Debt Trust Accounts	\$62.97
1/1/2012 Cash on Hand - Bond and Other Debt Trust Accounts	\$588,297.06
Total Levee/Village Funding	\$9,181,878.78

Metro FiberNet	
Financing Proceeds - Bond	\$2,500,000.00
Total Metro FiberNet	\$2,500,000.00
<u>West Lafayette Certified Technology Park (Purdue Research Park Phase II) Fund</u>	
Miscellaneous (Interest)	\$371.91
1/1/2012 Cash on Hand	\$126,106.08
Total WL Certified Technology Park Funding	\$126,477.99

GRANTS AND LOANS PROVIDED BY THE COMMISSION: None.

DISCUSSION:

After nearly six months of review, discussion, and public input, the 2012 spending plan was approved in January, 2012.

The broad property tax relief provided by recent legislation directly impacts local government finances and potentially reduces future TIF funding. Looming invocation of commercial property tax caps continues to cause funding concerns for the Commission. Consequently, after a review of all salient information, including the current debt service requirements of bonded projects, the Commission did not release any Incremental Assessed Value from any of the three districts during 2012.

ACTIVITIES WITHIN THE TIF DISTRICTS:

Sagamore Parkway:

Yeager Road: TIF funds were used to reconstruct and improve Yeager Road from Sagamore Parkway to Northwestern Avenue, including installation of a roundabout at the intersection of Yeager Road and Northwestern Avenue. Completed on time and under budget.

Wabash Commons: Following the Commission's 2011 investment of \$225,000 in street improvements for traffic calming measures, sidewalks, and landscaping in the Wabash Commons development, during 2012, IU Health began construction on a 30,000 square foot healthcare facility, and Mike's Carwash, Miracle's Rehabilitation, and Farmers & Merchant's Bank built and opened facilities in the development.

Kalberer/Cumberland/Blackbird Farms (KCB):

Cumberland Avenue: Phase two of the Cumberland Avenue restoration project—from just east of Kent Avenue to just west of Salisbury Street—was completed on time and under budget. Included in the project was the extension of the pedestrian trail system along the entire length of the reconstructed corridor, including improved access to the weekly Sagamore West Farmers Market. In 2012, the market produced over \$300,000 in sales and a strong increase in attendance by City residents.

Fire Station #3: Construction of the new Fire Station was nearly completed before year end, with only punch list items remaining. The Fire Station, which is located on the edge of the Purdue Research Park, sits on land donated to the Commission by the Purdue Research Foundation. This cooperation between the Foundation and the Commission in developing necessary infrastructure has served the City well and has resulted in the continued creation of private-sector jobs. Case in point: during 2012, Purdue Research Park resident, Dow AgroSciences, once again expanded their presence in the Research Park with the creation of new lab facilities. Dow AgroSciences now employs 62 persons—surpassing original employment estimates.

Water Quality Improvement: Using a carry-over Commission appropriation from 2011, the Commission improved the run-off water quality in the KCB area by constructing a natural filtration system for the management of storm water at the northwest corner of Lindberg Road and Northwestern Avenue. Resulting clarified storm water will be used to irrigate the Purdue University Kampen Golf Course. Additionally, the project cleared the way for additional economic development with the Council approval of a project by Faith Church immediately across Northwestern Avenue on the former Family Inn location. This project will combine living units, community space, and retail uses. Estimated completion date is summer 2013.

Automotive Research Indiana Labs (ARIL): The Commission played a major role in the negotiation of incentives for ARIL to locate its new \$10 million clean energy testing facility for Caterpillar in the Purdue Research Park. The facility will add approximately 20 jobs with an average annual salary of \$65,000.00. Construction begins in spring 2013.

Levee/Village:

Wabash Heritage Trail: Construction of Phase II of this trail—from the corner of Rose Street and Kingston Street to the parking lot in Happy Hollow Park—was completed. In addition to providing another ADA accessible connection to Happy Hollow Park via the pedestrian trail system, the project corrected a major storm water run-off erosion problem in the Park.

Other Trail/Park Improvements: New shelters, bike loops, and lighting improvements were installed in Happy Hollow Park. Installation of trailhead signs, ADA-accessible picnic tables, and ADA bench access, along with new ADA trail assessments continue to make the City's parks and trails more accessible for all visitors. Design work was begun for a "pocket" park in the Northwestern Heights neighborhood near the intersection of Northwestern Avenue and Garden Street.

Street Resurfacing: TIF funds were used to resurface alleyways and side streets that were in dire need of attention, providing increased storm water runoff management and access for city sanitation and street-clearing vehicles.

Chauncey Village Walkway (Gumball Alley): The Commission was instrumental in the redevelopment and improvement of a deteriorated alleyway in the heart of the Village. After sanitary sewers were repaired, and with the cooperation of the adjacent building owners, TIF Funds were used to reconstruct the alley and increase resident safety through the installation of lighting in the corridor. The Commission also purchased a piece of public art—a mural entitled, "Delight of Accomplishment"—that was installed on the walls of the alley. The transformation of the alley from an odoriferous eyesore to a safe passageway and entertainment destination was remarkable.

Public Art: TIF Funds were used to install the sculpture "Point of Departure" at the corner of Northwestern Avenue and State Street. Greyhouse Coffee purchased the artwork and donated it to the City.

Wabash Landing Garage: Ongoing, preventative maintenance on the Commission-owned parking garage serving the area around the Wabash Landing development was completed under budget even with an increase in scope of work.

TIF Expansion: The Commission, in an effort to stabilize the neighborhoods adjacent to the TIF district, approved an expansion of the district. The additional areas include the New Chauncey neighborhood and parts of the City that are adjacent to Purdue University's campus.

Chauncey Square: Work was completed on Commission-funded streetscape improvements at the Chauncey Square Apartments site after Campus Acquisitions of Chicago was able to rejuvenate the financially floundering apartment project and bring it to completion.

Metro Fibernet:

The Commission approved the establishment of a “personal property” TIF district comprised of the assets of Metro FiberNet covering the entire City, to support Metro FiberNet’s plan to provide “fiber to the premises” and the resulting high-speed internet connection to all residences and businesses in the City. Funds from this TIF district will service the privately issued, TIF revenue repayment bonds in the amount of \$2.5 million dollars to support Metro FiberNet’s installation of the fiber network. Under terms of this financing arrangement, the Commission and the City have no obligations or liabilities. Upon retirement of the bonds, the TIF district will immediately expire.

CONCLUSIONS AND RECOMMENDATIONS:

The ongoing actions of the West Lafayette Redevelopment Commission has resulted in the improvement of local infrastructure, the creation of new high-paying jobs, the encouragement of commerce and recreation, and an overall “sense of place” and community that is of paramount importance to the residents, business owners, and visitors of West Lafayette. These same qualities are the ones that attract new businesses and residents to our community. The Commission continues to implement the wishes and dreams of the City’s citizen-derived Strategic Plan through continued focus on the Levee redevelopment, Sagamore Parkway redevelopment, Research Park development, and neighborhood stabilization. This investment continues to bring citizens and visitors to the City and its neighborhoods, shopping districts, Research Park, and Wabash River. This focus will continue to develop and refine the sense of place that is necessary to our community’s viability.

This report is respectfully submitted by the West Lafayette Redevelopment Commission.

By: _____

Lawrence T. Oates, President

ATTEST:

Linda M. Sorensen, Secretary